

(4-2002)

and beverages must be consumed on the day of the activity in which the *Filer* participates;

- (q) Hospitality, including food, beverages, or occasional lodging, provided to a *Filer* by an individual in his or her home when the individual or a member of the individual's *immediate family* is present;
- (r) *Travel expenses* for travel within California provided directly in connection with an event at which a *Filer* gives a speech, participates in a panel or seminar, or provides a similar service;
- (s) *Travel expenses* for travel outside California but within the United States (although such expenses may be reportable on the *Filer's* statement of economic interests) if:
  - (1) The travel is reasonably related to a legislative or governmental purpose; and
  - (2) The travel is made in connection with an event at which the *Filer* gives a speech, participates in a panel or seminar, or provides a similar service; and
  - (3) The lodging and subsistence expenses in this case are limited to the day immediately preceding, the day of, and the day immediately following the speech, panel, or other similar service.
- (t) *Travel expenses* for travel within the United States (although such expenses may be reportable on the *Filer's* statement of economic interests) if:
  - (1) The travel is reasonably related to a legislative or governmental purpose; and
  - (2) The *payment* is provided by the *City* or any other *Public Agency* or a bona fide public or private educational institution, defined in section 203 of the Revenue and Taxation Code, or by a nonprofit organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code, or by a person that is domiciled outside the United States and that substantially satisfies the requirements for tax exempt status under section 501(c)(3) of the Internal Revenue Code.
- (u) *Travel expenses* in direct connection with campaign activities, including attendance at political fund-raisers, that satisfy the requirements of title 2,

section 18950.4 of the California Code of Regulations, although such expenses must be reported in the time and manner required by the Political Reform Act of 1974, as amended.

- (v) *Travel expenses* paid by a campaign committee; a nonprofit organization of which the *City Official* is a member; or by an organization of which the *City Official* is a member acting in an official *City* capacity.
- (w) *Travel expenses* of a *City Official* traveling on government business where the *payment* is a *gift* or other *payment* to the *City* rather than a *gift* or *payment* to the *City Official*, within the meaning of the Political Reform Act of 1974, as amended, and the regulations of the Fair Political Practices Commission.
- (x) *Travel expenses* that are reasonably necessary in connection with a bona fide business, trade, or profession and that satisfies the criteria for federal income tax deduction for business expenses in sections 162 and 274 of the Internal Revenue Code, unless the sole or predominant activity of the business, trade, or profession is making speeches, although such *travel expenses* may be reportable on the *Filer's* statement of economic interests;
- (y) *Payments* made at the behest of, at the request of, or in consultation or coordination with, an elected *City Official*, that are made to co-sponsor an event that is principally legislative, governmental, or charitable in nature, although such *payments* made to an elected *City Official* by a single source totaling \$5,000 or more in a calendar year for this type of event must be reported in accordance with California Government Code section 82015(b).
- (z) Food, shelter, or similar assistance received in connection with a disaster relief program if the food, shelter, or similar assistance is:
  - (1) provided by a *Public Agency* or organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code; and
  - (2) is available to the general public.
- (aa) Income received as a *payment* for a comedic, dramatic, musical, or other similar artistic performance; and *payments* received for the publication of books, plays, or screenplays, although such income may be reportable on the *Filer's* statement of economic interests;
- (bb) Income earned for the *Filer's* personal services if the services are provided in connection with a bona fide business, trade, or profession – such as teaching,

practicing law, medicine, insurance, real estate, banking, or building contracting – and the services are customarily provided in connection with the business, trade, or profession, although such income may be reportable on the *Filer's* statement of economic interests;

- (1) This exception does not apply if the sole or predominant activity of the business, trade, or profession is making speeches.
  - (2) The *Filer* must meet the criteria set forth in title 2, sections 18932 through 18932.3 of the California Code of Regulations to establish that he or she is practicing a bona fide business, trade, or profession before a payment received for personal services would be considered earned income and not an *honorarium*.
- (cc) A *payment* which is not delivered to a *Filer* but is made as a donation at the behest of, at the request of, or in consultation or coordination with, a *Filer* directly to a bona fide charitable, educational, civic, religious, or similar organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code.
- (1) This exception applies only if the donation is not made a condition for the speech, article, or attendance; and
  - (2) The donation is not claimed by the *Filer* as a deduction for income tax; and
  - (3) The *Filer* is not identified to the non-profit organization in connection with the donation; and
  - (4) The donation has no reasonably foreseeable financial effect on the *Filer* or any member of the *Filer's immediate family*.
- (dd) *Loans* received from banks or other financial institutions, and retail or credit card transactions, made in the regular course of business on terms available to members of the public. Although such *loans* in the amount of \$10,000 or more and *loans* not on the *Filer's* principle place of residence, may be reportable on the *Filer's* statement of economic interests;
- (ee) *Loans* made, or offered in writing, prior to January 1, 1998.  
 (“Exceptions to Restrictions on Benefits” added 4-29-2002 by O-19055 N.S.)

**§27.3526 Reportable Benefits**

In addition to the provisions of section 27.3525 that require the disclosure of certain *benefits*, the following *benefits* are reportable on the *Filer's* statement of economic interests:

- (a) *Gifts* with a fair market value of \$50 or more, and multiple *gifts* from a single source with an aggregate fair market value of \$50 or more; and
- (b) *Loans* which aggregate \$500 or more from a single source doing business in the *City*.  
(“Reportable Benefits” added 4-29-2002 by O-19055 N.S.)

**§ 27.3530 Loans as Gifts**

- (a) A *loan* received by a *City Official* may become a *gift* and subject to the *gift* reporting and limitations set forth in section 27.3520, as follows:
  - (1) If the *loan* has a defined date or dates for repayment and has not been repaid, the *loan* will become a *gift* when the statute of limitations for filing an action for default has expired; or
  - (2) If the *loan* has no defined date or dates for repayment, the *loan* will become a *gift* if it remains unpaid when one year has elapsed from the later of:
    - A. The date the *loan* was made; or
    - B. The date the last payment of \$100 or more was made on the *loan*; or
    - C. The date upon which the *City Official* has made payments aggregating to less than \$250 during the previous twelve months.
- (b) The following *loans* will not become *gifts* to a *City Official*: